GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1402
ANSWERED ON:28.11.2000
FERTILIZERS UNITS
P.D. ELANGOVAN

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government have any new schemes to encourage the fertilizer industries in the country;

(b) if so, the details thereof, state-wise;

(c) the production and sales of these industries in the last three years, State-wise;

(d) whether the Government have received proposals for the establishment of new fertilizer units; and

(e) if so, the details thereof, State-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a) & (b) : To encourage investment in the fertilizer sector, the following facilities/concessions have been made available to the fertilizer industry by the Government at present :-

i) As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up /expansion of fertilizer plants. Entrepreneurs are free to set up/expand fertilizer projects anywhere in the country subject to environmental clearance.

ii) Deemed Export Benefits to indigenous suppliers of capital goods to fertilizer projects provided such supplies are made under the procedure of international competitive bidding.

iii) Reasonable return on investment to the entrepreneurs under the Retention Price-cum-Subsidy Scheme, at present applicable to existing urea capacity.

iv) Concession on sale of decontrolled phosphatic and potassic fertilizers to farmers.

v) Import of capital goods for setting up of new plant/ modernisation of existing units at a concessional rate of customs duty.

vi) Import of fertilizer raw materials and intermediates at a concessional rate of customs duty.

(c) : The state-wise production of fertilizers in terms of total quantity for the years 1997-98 to 1999-2000 is given in Annexure-I. The details for the last three years of sales of the major fertilizers, urea, DAP and MOP, the availability and sales of which are monitored by the Government at present, are given in Annexure-II.

(d) & (e) : As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer projects anywhere in the country subject to environmental clearance. However, Public Sector Undertakings/ Cooperative Societies under the administrative control of the Department of Fertilizers have to obtain approval of the Government before undertaking such capital expenditure beyond their delegated powers. The details of such public/ cooperative sector fertilizer projects in India, submitted for investment approval of the Government under the prescribed procedure are given in the Annexure-III.

Annexure - I referred to in reply to part (c) of Lok Sabha unstarred question No.1402 for answer on 28.11.2000

Annexure-I

STATE-WISE PRODUCTION OF FERTILIZERS FROM 1997-98 TO 1999-2000

(`000 MT`)

Name of Zone/State	1997-98	1998-99	1999-2000
SOUTH-ZONE			
ANDHRA PRADESH	1856.5	2460.0	2523.3
KERALA	1100.7	1100.4	1281.1
KARNATAKA	426.4	554.6	478.7
TAMIL NADU	2179.8	2735.6	2939.9
TOTAL(SZ)	5563.4	6850.6	7223.0
-			
WEST-ZONE			
GOA	784.3	552.6	719.7
MADHYA PRADESH	2222.5	2400.6	2444.6
MAHARASHTRA	2909.6	2930.8	3200.5
GUJARAT	5770.4	5822.4	6413.5
RAJASTHAN	1622.6	1783.3	1996.6
TOTAL(WZ)	13309.4	13489.7	14774.9
-			
EAST-ZONE			
BIHAR	495.4	375.0	352.1
ORISSA	1035.2	1007.4	865.4
WEST BENGAL	672.8	550.9	852.4
ASSAM	197.0	114.8	122.3
TOTAL(EZ)	2400.4	2048.1	2192.2
-			
NORTH-ZONE			
HARYANA	638.6	604.5	578.3
PUNJAB	1385.2	1265.5	1135.9
UTTAR PRADESH	6741.9	7161.6	7003.8
TOTAL(NZ)	8765.7	9031.6	8718.0
GRAND TOTAL:	30038.9	31420.0	32908.1
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The quantity includes Urea, DAP,AS,CAN, Ammonium Chloride, SSP and complexe

Annexure - III referred to in reply to parts (d) & (e) of Lok Sabha unstarred question No.1402 for answer on 28.11.2000

Annexure - III

Project proposals posed to the Government by public/cooperative units for investment approval

SN	NAME OF THE PSU/ COOPERATIVE	LOCATION	PROPOSED ESTIMATED CAPITAL COST (RS.CRORE)	PRODUCTION ENVISAGED Product	Capacity (lakh MTPA)	COMPLETION SCHEDULE
1	Krishak Bharati Cooperative Ltd.(KRIBHCO)	Hazira, Gujarat	1318	Urea	7.68	36 months from the zero date

(Third stream
ammonia-urea
expansion project)

2 KRIBHCO (New ammonia-urea plant at the existing site of FCI) Gorakhpur, UP 1536 Urea 7.68 36 months from the zero date

3 Indian Farmers Fertiliser Cooperative Ltd.(IFFCO) Nellore, Andhra Pradesh 1736 Urea 7.68 39 months from the zero date

(Grassroots)

4 Rashtriya Chemicals and Fertilizers (RCF) Thal, Maharashtra 1332 Urea 7.68 36 months from the zero date

(ammonia-urea
expansion project)

Zero date is the date of approval of the proposal by the Government.

Annexure-II referred to in reply to part (c) of Lok Sabha unstarred question No.1402 for answer on 28.11.2000

Annexure-II

STATE-WISE SALES OF UREA, DAP & MOP DURING THE LAST THREE YEARS

(000 tonnes)

	DAP	M.O.P	UREA

S T A T E	1997-98	1998-99	1999-2000	1997-98	1998-99	1999-2000	1997-981998-991999-2000		
SOUTH ZONE									
ANDHRA PRADESH	615.91	667.28	694.73	144.99	155.87	228.17	1705.80	2014.16	2016.77
KARNATAKA	357.06	386.04	439.13	212.46	163.94	224.80	864.30	905.36	954.98
KERALA	8.74	9.66	8.49	137.44	79.97	124.22	116.22	113.19	116.57
TAMILNADU	233.97	223.93	276.74	350.79	296.40	381.67	816.63	813.66	877.16
ANDAMAN & NICOBA	0	0	0.27	3.01	0.00	0.09	0.64	0.86	0.73
LAKSHADEEP	0	0	0		0.00	0.00	0.00	0.02	0.00	0.02
PONDICHERRY	6.6	6.27	6.97		2.96	5.56	7.30	20.21	19.48	19.43
TOTAL	1222.28	1293.18	1426.33		851.65	701.74	966.25	3523.82	3866.71	3985.66
WEST ZONE									
GUJARAT	452.06	568.74	540.84	82.80	92.44	102.53	1193.95	1230.04	1053.98	
MADHYA PRADESH	480.79	513.75	501.964		51.32	47.27	58.55	1395.76	1262.22	1117.34
MAHARASHTRA	427.01	503.92	569.34	210.19	197.98	230.80	1694.26	1707.47	1876.55	
RAJASTHAN	323.84	327.73	446.564	5.45	6.21	7.39	1131.86	1011.20	1032.10	
DADAR & NAGAR HAV	0	0	0		0.00	0.00	0.00	1.28	0.86	1.01
GOA	0.42	0.73	0.76		0.70	1.14	0.79	3.83	4.32	4.49
DAMAN & DIU	0	0	0		0.00	0.00	0.00	0.00	0.22	0.16
TOTAL	1684.12	1914.87	2059.468		350.46	345.04	400.06	5420.94	5216.33	5085.64
NORTH ZONE									
HARYANA	340.73	353.35	493.65	5.61	5.59	6.62	1214.04	1292.15	1247.76	
HIMACHAL PRADESH	0.23	0	0.44	2.26	3.23	2.94	39.22	48.78	42.97	
JAMMU & KASHMIR	31.42	37.26	37.61		1.73	3.71	1.14	86.31	96.06	94.22
PUNJAB	508.1	616.68	672.57		32.37	28.24	38.36	1973.91	2065.37	1974.45
UTTAR PRADESH	846.4	902.25	1377.2	106.54	112.09	141.64	4662.43	4886.10	4690.92	
CHANDIGARH	0	0	0		0.00	0.00	0.00	0.88	0.88	0.73
DELHI	4.92	2.57	7.8	0.50	0.79	0.13	32.07	35.47	27.24	
TOTAL	1731.8	1912.11	2589.27	149.01	153.65	190.83	8008.86	8424.81	8078.29	
EAST ZONE									
BIHAR	276.34	299.5	388.624	87.01	85.75	101.38	1256.83	1305.81	1355.67	
ORISSA	55.53	67.05	96.8		55.92	65.60	76.29	332.17	323.65	418.55
WEST BENGAL	311.21	385.41	418.94	215.94	249.90	289.12	976.15	950.34	1089.61	
TOTAL	643.08	751.96	904.364		358.87	401.25	466.79	2565.15	2579.80	2863.84
NORTH-EAST ZONE									
ASSAM	15.12	15.26	29.984		25.75	31.66	61.00	74.64	88.53	143.46
MANIPUR	0	0	0		0.83	0.34	0.05	26.25	30.97	33.02
MEGHALYA	0	0	0		0.14	0.30	0.09	5.66	5.30	4.98
NAGALAND	0	0	0		0.04	0.00	0.00	1.03	0.08	0.00
SIKKIM	2.28	4.54	0		0.00	0.00	0.00	0.70	0.55	0.65
TRIPURA	0.02	0	0		2.31	0.15	1.47	21.64	14.89	14.69
ARUNACHAL PRADESH	0	0	0		0.00	0.22	0.00	0.51	0.10	0.11
MIZORAM	0	0	0		0.00	0.00	0.14	0.86	0.33	0.08
TEA BOARD (NE)	0	0	0		0.00	0.00	0.00	55.49	37.50	0.00
TOTAL	17.42	19.8	29.984	29.07	32.67	62.75	186.78	178.25	196.99	
ALL INDIA	5298.7	5891.92	7009.416		1739.06	1634.35	2086.68	19705.55	20265.90	20210.42
Complex Manufacture	493.93	569.24	888.58							
Grand Total	2232.99	2203.59	2975.26							